BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

) Application No. C-1878/PI-23
)
)
) PROGRESSION ORDER NO. 3
DOCKET CLOSED
)
)
) Entered: July 11, 2001

BY THE COMMISSION:

OPINION AND FINDINGS

In compliance with the Nebraska Supreme Court's December 8, 2000, directive in <u>In Re Application of Nebraska Public Service Commission</u>, the Commission initiated a reexamination of the cost determination mechanism originally set out in Application No. C-1878/PI-23.

On February 16, 2001, the Commission held a workshop to define and clarify the issues remanded by the Nebraska Supreme Court. The workshop resulted in the compilation of several questions upon which the Commission sought further comment. The Commission requested interested parties to file testimony or comments on or before March 30, 2001, on several issues outlined in Progression Order No. 2 in this docket.

Upon receipt of the comments and pre-filed testimony, the Commission held a public hearing in this matter on April 13, 2001, in the Commission Hearing Room.

After the conclusion of the hearing, but prior to the entry of an order in this proceeding, Qwest and Cox agreed to mutually resolve the issues remaining in this docket. As a result, on June 14, 2001, the parties submitted to the Commission for its review an interim "Settlement Agreement for Application Nos. C-1878/PI-23 and C-2516/PI-49, and proposed final resolution in the Commissions Cost Docket."

In the interim agreement, Qwest reserved the right to argue the following in the Commission's Cost Docket:

Application No. C-1878/PI-23

PAGE 2

- 1. Campus wire should not be deaveraged separately from the subloop distribution.
- 2. If the Commission establishes a separate price for campus wire, the Commission should increase the price of the rest of the subloop distribution to offset the deletion of the least costly subloops from the average subloop price.
- 3. The studies submitted in Application No. C-1878/PI-23 justify the prices set forth in Application No. C-1878/PI-23.

Cox reserved the right to argue the following in the Commission's Cost Docket:

- 1. Campus wire should be deaveraged separately from the subloop distribution.
- 2. The rates contained in the interim agreement are not applicable in other states where Cox does business and are entered into by virtue of the Nebraska Public Service Commission's desire to see a settlement reached between the parties in this case.

Qwest and Cox both agreed that the interim settlement will not prevent any party from taking any position in the new cost docket in Nebraska, or any position in any docket in any other state, even if the position conflicts with this interim settlement.

The interim rates jointly proposed by Qwest and Cox are as follows:

- 1. Campus wire \$3.00 monthly recurring charge.
- 2. Intrabuilding wire \$0.51 monthly recurring charge. Quest agrees that it will follow FCC guidelines with regard to disclosure of whether it owns the intrabuilding wire at a specific property.

- 3. Charge where Qwest runs the jumper \$80.00 nonrecurring.
 - A. Qwest must run the jumper if the Qwest building terminal also serves as the functional equivalent of a serving area interface and is considered a "detached" terminal.
 - B. If a dispute arises as to whether a Qwest building terminal serves as the functional equivalent of a serving area interface and is considered a "detached" terminal, the Commission shall act as arbitrator and Qwest shall have the burden of proving to the Commission that it should run the jumper.
- Charge where Cox runs the jumper between its building terminal and the Qwest building terminal - \$0.00 nonrecurring.

Cox may only run the jumper between its own building terminal and an inside or outside Qwest building terminal.

5. The parties will amend their interconnection agreement upon execution of this settlement agreement.

In consideration of the interim proposal jointly set forth by Qwest and Cox, the Commission is of the opinion and finds that such agreement should be allowed to take effect. As such, the Commission accepts the proposed rates for interconnection as long as said rates are made available to all interested competitive carriers.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the interim agreement and the rates contained therein, and as set forth above, are hereby accepted by the Commission.

IT IS FURTHER ORDERED that Qwest and Cox should amend their interconnection agreement accordingly.

Application No. C-1878/PI-23

PAGE 4

IT IS FURTHER ORDERED that the rates and terms contained within the interim agreement shall be made available to all interested competitive carriers.

IT IS FINALLY ORDERED that this application is closed.

MADE AND ENTERED at Lincoln, Nebraska, this 11th day of July, 2001.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

ATTEST:

Executive Director

//s//Frank E Landis